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July 2, 1997

Minerals Management Service Royalty Management Program Rules and Procedures Staff Building 85 Denver Federal Center Denver, Colorado 80225

Attn: David S. Guzy, Chief, Rules and Procedures Staff

Re: Proposed Rulemaking on Policy for Release of Third-Party Proprietary Information for the Administrative Appeals Process and for Alternative

Dispute Resolution (62 F.R. 16116) published April 4, 1997

Dear Sir:

Conoco Inc. ("Conoco") hereby files these comments with the Minerals Management Service on its Proposed Rulemaking on Policy for Release of Third-Party Proprietary Information for the Administrative Appeals Process and for Alternative Dispute Resolution (62 F.R. 16116) published April 4, 1997.

Conoco adopts and incorporates the position of the American Petroleum Institute on this matter. Conoco is concerned regarding the safekeeping of confidential information and would like to point out that it is almost impossible to track release of confidential information. The cost of such information is normally in excess of the cost of preparing the data and disclosure would usually result in consequential damages which cannot be measured. An indemnification by a third party to hold another party harmless from the costs associated with wrongful disclosure may be worthless depending on the assets of the party wrongfully releasing the data. Conoco is concerned regarding the administration and measurement of this risk.



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Thank you for the opportunity to comment on this matter.

Very truly yours,

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